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California Energy Commission
Docket Office
1516 Ninth Street
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RE: Docket 0304-IEP-01 – Comments on the 2005 Integrated Energy Policy Report Committee Workshop on Electricity Demand and Retail Price Data Requirements, September 20-21, 2004

Dear Commissioners:

San Diego Gas & Electric (SDG&E) was pleased to participate in the California Energy Commission's (CEC) 2005 Integrated Energy Policy Report Committee workshops in Sacramento on September 20-21 regarding Electricity Demand and Retail Price forecasting. We understand the challenges the Commission faces in preparing an accurate assessment of market conditions and look forward to working with the Commission in every way possible. We offer the following brief comments as a follow-up to the workshops to aid the Commission in establishing a process for this project:

Forecast Review and Adoption Process:

SDG&E understands the need to submit its demand forecast to the CEC, and SDG&E intends to fully cooperate in this regard, and is willing to do so, but based on the discussion at the workshop certain critical details remain unclear as to how the Commission will use it. The last time the utilities submitted a fully documented demand forecast to the CEC was in 1995 for use in the 1996 Electricity Report process. At that time the process entailed Commission staff and representatives from each of the utilities to present their forecast to the Committee, and in turn the Committee decided if it should adopt the staff's or the utility's forecast. A great deal has changed since that time, as currently the utilities have had to submit data only to staff to aid them in developing their forecast work product. If in fact all LSE's are being asked to submit a fully documented forecast, it must be explicitly determined how Commission staff will use this information and what the Committee review and adoption process will entail. SDG&E proposes that these issues be addressed at the next workshop.

Confidentiality:

Maintaining confidentiality of sensitive data is essential to ensure a collaborate process between SDG&E and the Commission. Section 2505 of the Title 20 regulations, *Designation of Confidential Records*, was revised in 2002 as a result of the CEC's efforts to update its data collection procedures to reflect the significant changes in a deregulated energy market. One of the revisions made to this section grants an automatic designation of confidentiality to data submitted to the CEC in fulfillment of the requirements of Sections 1304, 1306, 1307, 1343, and 1344 of the same Title 20 regulations. These sections deal with providing historical generator data, consumption data, and energy pricing data to the CEC on a quarterly basis (commonly referred to as QFER data). The new procedure proposed at this workshop for utilities to follow in documenting their forecast asks that each LSE complete a set of forms that calls for much of the same kind of information that is supplied in the above mentioned QFER process, but without any mention of updating Section 2505 to automatically grant the same degree of confidentiality to forecasted data as is currently granted to historical data. This is imperative to SDG&E releasing this data. SDG&E strongly believes that Section 2505 should be updated to give all LSEs the assurance that sensitive forecast information will be automatically designated confidential consistent with the treatment for historical data of the same type. If Section 2505 cannot be revised in advance of the time when LSEs are to submit their demand forecasts, then SDG&E suggests that

SDG&E Comments
Workshop on Electricity Demand and Retail Price
Data Requirements – 2005 IEPR

the Committee consider issuing temporary instructions and non-disclosure agreements that will effectively provide all LSEs the same degree of protection.

Should you have any questions, please feel free to contact me at your convenience. Again, thank you for the opportunity to assist the Commission's effort in its preparation of the 2005 Integrated Energy Policy Report.

Bernie Orozco